



THOMAS L. GARTHWAITE, M.D.
Director and Chief Medical Officer

FRED LEAF
Chief Operating Officer

COUNTY OF LOS ANGELES
DEPARTMENT OF HEALTH SERVICES
313 N. Figueroa, Los Angeles, CA 90012
(213) 240-8101

BOARD OF SUPERVISORS

Gloria Molina
First District

Yvonne Garthwaite Burke
Second District

Zev Yaroslavsky
Third District

Don Knabe
Fourth District

Michael D. Antonovich
Fifth District

October 30, 2003

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**BOARD RESOLUTION FOR A CODE ENFORCEMENT GRANT FROM THE
CALIFORNIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT**
(All Districts) (3 Votes)

IT IS RECOMMENDED THAT YOUR BOARD:

1. Accept and instruct the Director of Health Services, or his designee, to execute Standard Agreement Number 02-CEGP-27, substantially similar to Exhibit I, with the California Department of Housing and Community Development ("HCD") for the California Code Enforcement Grant Program ("CCEGP") in the amount of \$197,572 for capital expenditures effective upon the date of execution by HCD and continuing for three years through Fiscal Year (FY) 2005-06.
2. Approve and instruct the Chair to sign the attached Resolution of the Board of Supervisors, Exhibit II, as required by the HCD, authorizing the Director of Health Services, or his designee, to: a) execute Standard Agreement Number 02-CEGP-27 to accept funds in the amount of \$197,572 for capital expenditures; b) commit the Department of Health Services ("DHS" or "Department") to financially support the capital assets acquired at an estimated total County cost of \$20,887 for the three year grant period through FY 2005-06 and at an estimated annual County cost of \$14,968 for subsequent fiscal years to maintain the equipment; c) execute related amendments from

HCD, subject to review and approval by County Counsel and notification of Board offices; and d) execute any other necessary documents for the purpose of securing grant funds to enhance the DHS housing inspection program.

PURPOSE/JUSTIFICATION OF THE RECOMMENDED ACTIONS:

In approving the recommended actions, the Board is authorizing the DHS to accept new grant funds for the purchase of new and/or replacement chemical, biological, and physical stress inspection equipment as well as computers, cameras, projectors, camcorders, and other related items to enhance the Department's housing code enforcement program and provide outreach activities to educate the public on environmental hazards. As a condition of award, a Board of Supervisors' Resolution is required affirming that the DHS will financially and technically support the equipment purchased during the three year grant period and authorizing the execution by the DHS of the Standard Agreement Number 02-CEGP-27, related amendments, and any other necessary documents for the purpose of securing such grant funds.

The DHS' Environmental Health ("EH") is a regulatory agency that conducts housing inspections in addition to other mandated services related to water, liquid and solid waste, and vectors. State and local health and safety codes provide for the authority for EH to perform activities that promote a safe and healthy environment.

Current housing inspections activities are offset through the collection of license/permit and service fees. Provisions within the Los Angeles County Code limit all fees to cost recovery. Grant funds from HCD will allow EH to acquire essential equipment to enhance housing inspections.

Acceptance of the grant funds will contribute to the Countywide Strategic Plan Goals by improving the quality of life for children and families in Los Angeles County.

FISCAL IMPACT/FINANCING:

The total estimated project cost from FY 2003-04 through FY 2005-06 is \$218,459, of which \$197,572 is offset with State grant funds for equipment purchase and \$20,887 for maintenance (\$10,444 for FY 2004-05 and \$10,443 for FY 2005-06) is offset with Environmental Health fees. For subsequent fiscal years maintenance is estimated at an annual County cost of \$14,968, an increase of approximately \$4,524 necessary for the purchase of certain equipment parts/supplies which need to be replaced every two, three, or five years, offset with Environmental Health fees.

Funding is included in the Fiscal Year 2003-04 Adopted Budget and will be requested in subsequent fiscal years. There is no net County cost.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

Senate Bill 1227 (Chapter 26, Statutes of 2002) under California Health and Safety Code Section 53533(a)(6) established the new CCEGP. The aim of the new program is to make grant funds available to cities and counties for capital expenditures that improve the effectiveness of and supplement existing local funding for code enforcement programs related to housing code maintenance or compliance. The funding for these grant funds was approved as part of Proposition 46.

On April 1, 2003, EH submitted to the HCD an application requesting a CCEGP grant in the amount of \$239,407 for capital expenditures to purchase environmental health inspection equipment, computer equipment, and electronic equipment to maximize the effectiveness of their current housing inspection program and estimated a total cost of \$30,041 funded by Environmental Health fees for the three year grant period to maintain the equipment.

In July 2003, EH received notice from the HCD of a conditional commitment in the amount of \$197,572 in State grant funds for capital expenditures. The HCD adjusted the amount DHS requested in the application since grant funds may not be used for soft costs (i.e, supplies, consumables, or other related costs associated with the equipment).

On October 17, 2003, HCD issued the State Standard Agreement Number 02-CEGP-27 for the Code Enforcement Grant Program which provides funding in the amount of \$197,572 for capital expenditures to enhance the DHS's housing code enforcement program and provide outreach activities to educate the public on environmental hazards.

The State Standard Agreement Number 02-CEGP-27 is effective upon the date of execution by HCD and will continue for a three year period through Fiscal Year 2005-06.

Attachments A, B, C, and D provide additional information.

County Counsel has approved Exhibits I and II as to form.

CONTRACTING PROCESS:

It is not appropriate to advertise the acceptance of a State grant on the L.A. County Online Countywide Web Site.

IMPACT ON CURRENT SERVICES (OR PROJECTS):

The Board's approval of the recommended actions will enhance the Department's housing code enforcement program.

The Honorable Board of Supervisors
October 30, 2003
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When approved, this Department requires three copies of the Board's action.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Thomas L. Garthwaite", with a long, sweeping horizontal line extending to the right.

Thomas L. Garthwaite, M.D.
Director and Chief Medical Officer

TLG:ma

Attachments (6)

c: Chief Administrative Officer
County Counsel
Executive Officer, Board of Supervisors
Auditor-Controller

BLCD3054.ma.wpd
10/28/03

SUMMARY OF GRANT AWARD1. Type of Service:

New Grant funds from the California Department of Housing and Community Development “(HCD)” Code Enforcement Grant Program will enhance the County’s Department of Health Services’ Environmental Health housing code enforcement program with the acquisition of new and/or replacement environmental health-related equipment, computer, and electronic equipment.

2. Agency Addresses, Contact Persons, and Telephone Numbers:

Department of Housing and Community Development
Division of Codes and Standards
Code Enforcement Grant Program
1800 Third Street, Suite 260 P.O. Box 1407
Sacramento, California 95812-1407

Attention: CEGP Contract Manager
Telephone/Fax: (916) 445-9471/(916) 327-4712

3. Term:

The grant funds are for a three year period effective upon the date of execution by HCD of the Standard Agreement 02-CEGP-27.

4. Financial Information:

The total estimated project cost from FY 2003-04 through FY 2005-06 is \$218,459, of which \$197,572 is offset with State grant funds for equipment purchase and \$20,887 for maintenance (\$10,444 for FY 2004-05 and \$10,443 for FY 2005-06) is offset with Environmental Health fees. For subsequent fiscal years maintenance is estimated at an annual County cost of \$14,968, an increase of approximately \$4,524 necessary for the purchase of certain equipment parts/supplies which need to be replaced every two, three, or five years, offset with Environmental Health fees.

Funding is included in the Fiscal Year 2003-04 Adopted Budget and will be requested in subsequent fiscal years. There is no net County cost.

5. Geographic Area:

Countywide.

6. Accountable for Monitoring and Evaluation:

Arturo Aguirre, R.E.H.S., Director, Environmental Health

7. Approvals:

Public Health: John F. Schunhoff, Ph.D. Chief of Operations

Contracts and Grants Division: Riley J. Austin, Acting Chief

County Counsel (approval as to form): Christina A. Salseda, Deputy County Counsel

Los Angeles County Chief Administrative Office
Grant Management Statement for Grants Exceeding \$100,000

Department: Health Services

Grant Project Title and Description

Code Enforcement Grant Program Grant, County of Los Angeles

This grant provides funds for capital expenditures that improve the effectiveness of and supplement existing local funding for code enforcement programs related to housing code compliance.

Funding Agency	Program (Fed. Grant #/State Bill or Code #)	Grant Acceptance Deadline
California Department of Housing and Community Development ("HCD")	Standard Agreement #: 02-CEGP-27 [Senate Bill 1227 (Chapter 26, Statutes of 2002) under Health and Safety Code Section 53533(a)(6), funding was approved as part of Proposition 46 (2002)]	None, funding held until Board Resolution approved.

Total Amount of Grant Funding: \$197,572		County Match Requirements	None
Grant Period: 3 years	Begin Date: Upon HCD Execution	End Date:	36 months
Number of Personnel Hired Under this Grant: 0	Full Time	Part Time	

Obligations Imposed on the County When the Grant Expires

Will all personnel hired for this program be informed this is a grant funded program? Yes _____ No _____

Will all personnel hired for this program be placed on temporary ("N") items? Yes _____ No _____

Is the County obligated to continue this program after the grant expires Yes _____ No X

If the County is not obligated to continue this program after the grant expires, the Department will:

a). Absorb the program cost without reducing other services Yes X No _____

b). Identify other revenue sources Yes _____ No _____

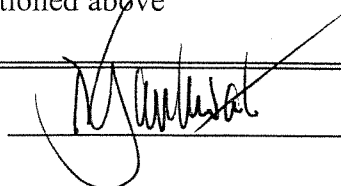
(Describe)

c). Eliminate or reduce, as appropriate, positions/program costs funded by this grant. Yes _____ No _____

Impact of additional personnel on existing space:

Other requirements not mentioned above

Department Head Signature



Date

10/20/03

ENVIRONMENTAL HEALTH

REVISED LISTING OF EQUIPMENT TO BE PURCHASED

Item	QTY	Total
Moisture Encounter Meter	25	\$7,998.75
Wall Check Sampler with sample pump and cassette	3	\$3,169.00
Fiber Optic Scope with replacement bulb	5	\$1,960.00
Half-Mask Respirators	50	\$2,618.60
Indoor Air Quality Meters	10	\$15,500.00
XRF Lead-Paint Spectrum Analyzers	4	\$44,220.00
Reactor III flashlight	200	\$6,800.00
Carbon Monoxide Analyzer	2	\$872.00
Mini Infrared Thermometer	25	\$2,498.75
Airflow Indicator (smoke tube)	150	\$7,350.00
Light Meter	150	\$29,992.50
Lexmark C720 Color Laser Printer	9	\$27,297.00
Sony Cyber-shot Digital Cameras	14	\$4,508.00
LCD Projector	2	\$7,986.00
Toshiba Laptop Computer	3	\$4,563.00
Compaq and Dell Desktop Computers with four keyboards for Spanish, Chinese, Korean and Japanese	2	\$14,218.33
Sony DCR-TRV38 MiniDV HandyCam	1	\$962.20
Subtotal		\$182,514.13
Sales Tax 8.25%		\$15,057.42
GRAND TOTAL		\$197,571.55

ENVIRONMENTAL HEALTH
MAINTENANCE COSTS FOR CEGP GRANT EQUIPMENT

Item	QTY	Unit Price	Subtotal	Costs	
				Grant Period (3 yrs.)	Post-Grant (annual)
Moisture Encounter Meter				\$0.00	\$0.00
Wall Check Sampler					
Air O-cell Cassette 35 mm replacement (every 2 yrs.)	1	\$349.00	\$349.00	\$349.00	\$174.50
Sample pump replacement (every 5 yrs.)	3	\$595.00	\$1,785.00		\$357.00
Fiber Optiscope					
Halogen Rplcmt Bulb	5	\$12.00	\$60.00	\$60.00	\$60.00
Half-Mask Respirators					
3M P100 Low-Profile Filters every 2-3 yrs.	50	\$6.35	\$317.50	\$317.50	\$158.75
Fresh Kit Plus (to clean & disinfect) replenish approx. every 2	9	\$95.40	\$858.60	\$858.60	\$429.30
Respirator Wipe Pads years dependent on use	50	\$12.00	\$60.00	\$60.00	\$30.00
Training/Refresher Course In house staff	7	\$400.00	\$0.00	\$0.00	\$0.00
Indoor Air Quality Meters					
Maintenance service In house staff	10	\$400.00	\$0.00	\$0.00	\$0.00
XRF Lead-Paint Spectrum Analyzers					
Re-source analyzers every 15 mos.	4	\$2,200.00	\$8,800.00	\$8,800.00	\$7,040.00
Flashlight					
Carbon Monoxide Analyzer					
Maintenance service In house staff	2	\$400.00	\$0.00	\$0.00	\$0.00
Mini Infrared Thermometer			\$0.00	\$0.00	
Airflow Indicator (smoke tube)					
Model 810-500				\$0.00	\$0.00
Color Laser Printer					
Warranty Extension 2 years	9	\$925.00	\$8,325.00	\$8,235.00	\$4,162.50
Digital Cameras				\$0.00	\$0.00
LCD Projector					
LCD Projector lamp replacements every 3 years	6	\$385.00	\$2,310.00	0	\$770.00
Laptop Computer					
Toshiba Extended Service	3	\$205.00	\$615.00	\$615.00	\$615.00
Desktop Computers				\$0.00	\$0.00
Camcorder					
Sony MiniDV Tapes (5 pack) approx. one 5-pack per year	5	\$30.00	\$0.00	\$0.00	\$30.00
TOTAL COSTS				\$19,295.10	\$13,827.05
8.25% tax				\$1,591.85	\$1,140.73
GRAND TOTAL				\$20,886.95	\$14,967.78

AGREEMENT NUMBER

02-CEGP-27

REGISTRATION NUMBER

1. This Agreement is entered into between the State Agency and the Contractor named below:

STATE AGENCY'S NAME

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

CONTRACTOR'S NAME

County of Los Angeles

2. The term of this **Upon HCD Approval** through **36 Months from Approval Date** Agreement is:

3. The maximum amount of this Agreement is: **\$197,572.00**

4. The parties agree to comply with the terms and conditions of the following exhibits which are by this reference made a part of the Agreement.

Exhibit A – Authority, Purpose and Scope of Work 2 page(s)

General Terms and Conditions

Exhibit B – Program General Terms and Conditions 7 page(s)

Exhibit B-1 – Department of General Services General Terms & Conditions 5 page(s)

Exhibit C – CEGP Special Conditions and Capital Expenditure Details 1 page(s) (Application Incorporated by reference)

Exhibit D – Budget Detail and Payment Provisions 2 page(s)

TOTAL NUMBER OF PAGES ATTACHED: 17 pages

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.

CONTRACTOR

CONTRACTOR'S NAME (if other than an individual, state whether a corporation, partnership, etc.)

County of Los Angeles

BY (Authorized Signature)

DATE SIGNED(Do not type)



PRINTED NAME AND TITLE OF PERSON SIGNING

ADDRESS

**5050 Commerce Drive
Baldwin Park, CA 91706-**

STATE OF CALIFORNIA

AGENCY NAME

Department of Housing and Community Development

BY (Authorized Signature)

DATE SIGNED(Do not type)



PRINTED NAME AND TITLE OF PERSON SIGNING

Rick Beard, Manager, Budgets and Contracts Branch

ADDRESS

1800 Third Street, Room 350, Sacramento, CA 95814

*California Department of General
Services Use Only*

☒ Exempt from: Department of
General Services
Approval

EXHIBIT A

AUTHORITY, PURPOSE AND SCOPE OF WORK

1. Authority:

Assembly Bill 2867 (Chapter 82, Statutes of 2000) as subsequently amended, established HCD's initial Community Code Enforcement Pilot Program and the Code Enforcement Incentive Program in Chapter 8, commencing with section 17998.2 of the HSC. These demonstration programs fund increased code enforcement staff and resources to improve and preserve existing housing through maintenance and community-oriented code enforcement efforts. The Code Enforcement Grant Program (CEGP) which is subject to this agreement, was funded by Senate Bill 1227 (Chapter 26, Statutes of 2002) under HSC section 53533(a)(6) and approved as part of Proposition 46 (2002). This CEGP will continue to capitalize and build on interdisciplinary, community-oriented code enforcement and preservation concepts, but will provide grant funding only for capital expenditures that supplement or complement local code enforcement and compliance activities.

2. Purpose:

In accordance with the authority cited above, the Contractor has applied to the State for financial assistance in the form of a grant from the Program (the "Grant"). The State has agreed to make the Grant, as a financial incentive, for capital expenditures that supplement or complement local code enforcement and compliance activities by the Contractor pursuant to the terms of the Notice of Funding (NOFA). Based on the representations made in the Contractor's application, the State shall provide a grant in the amount shown on the face sheet for the purpose of paying for the capital improvements identified in Exhibit C.

The State and the Contractor have agreed to enter into this Agreement in accordance with the terms and conditions herein, subject to all the provisions of the applicable statutes, the NOFA and further subject to the State laws and requirements governing State contracts.

3. Scope of Work:

Contractor shall take such actions, pay such expenses and do all things necessary to complete the CEGP capital expenditures described in Exhibit C and within the terms and conditions of this agreement. Contractor shall ensure compliance with prevailing wage requirements in all work of construction or rehabilitation funded in whole, in part, or as a result of the commitment of this grant. Contractor shall provide the State with a detailed summary of all CEGP capital expenditure costs in accordance with the application, the request for Grant approval, any attachments of the Grant approval and CEGP requirements.

EXHIBIT A

4. State Contract Manager

The Contract Manager of this Agreement for the State is the Contract Manager for the Code Enforcement Grant Program, Division of Codes and Standards. Any notice, report, or other communication required by this Agreement shall be mailed by first class mail to the Contract Manager at the following address:

Department of Housing and Community Development
Division of Codes and Standards
Code Enforcement Grant Program
1800 Third Street, Suite 260
P. O. Box 1407
Sacramento, CA 95812-1407
Attention: CEGP Contract Manager
Phone: (916) 445-9471

EXHIBIT B

PROGRAM GENERAL TERMS AND CONDITIONS

1. Commitment of State Funds

- A. The State hereby agrees to provide grant funds to the Contractor in an amount and subject to the terms set forth in the Exhibit C exclusively for the purposes designated herein. Contractor shall provide any additional documents the State may deem necessary. The disbursement of grant funds hereunder is expressly conditioned upon the special conditions set forth in Exhibit D and made a part hereof, and shall be met to the satisfaction of the State prior to grant closing unless a different time is noted.
- B. This Agreement is of no force or effect until signed by both parties and approved by the Department of Housing and Community Development. Contractor may not commence performance until such approval has been obtained.
- C. In the event that a state or federal governmental entity which has the authority to do so determines that the applicable statutes, regulations, or any use of grant funds contemplated by this Agreement, is unlawful or contrary to any applicable provision of federal or state law, this Agreement shall be deemed modified to eliminate such unlawful use or application and/or to add necessary restrictions or requirements. In the event of such determination, the State shall notify the Contractor, in writing, of the specific modification to this Agreement which is required by such determination. Contractor shall have fifteen calendar days after receipt of such notice to terminate this Agreement and return any and all funds advanced, including interest earned on such funds. If Contractor fails to so act within the fifteen-day period, the modification shall become part of this Agreement effective on the date of receipt of notice and binding on the parties hereto.

2. Contractor's Application for Funds

- A. Contractor has submitted to the State an application for funding under the CEGP. The State is entering into this Agreement on the basis of, and in substantial reliance upon, Contractor's facts, information, assertions and representations contained in that application, and in any subsequent modifications or additions thereto approved by the State. The application and any approved modifications and additions thereto are hereby incorporated into this Agreement.
- B. Contractor warrants that all information, facts, assertions and representations contained in the application and approved modifications and additions thereto are true, correct and complete to the best of Contractor's knowledge. In the event that any part of the application and any approved modification and addition thereto is untrue, incorrect, incomplete or misleading in such a manner that would substantially affect the State's approval, disbursement, or monitoring of the grant and the CEGP capital expenditures or

EXHIBIT B

incomplete or misleading in such a manner that would substantially affect the State's approval, disbursement, or monitoring of the grant and the CEGP capital expenditures or

activities governed by this Agreement, then the State may declare a breach hereof and take such action or pursue such remedies as are provided for breach hereof.

- C. If applicable, the terms and conditions of financial assistance from funding sources other than the State for CEGP projects shall be submitted to the State prior to grant closing and shall be subject to State approval. In the event that Contractor breaches such terms and conditions, the State may declare a breach of this Agreement and take such action or pursue such remedies as are provided for breach hereof.
- D. The financing structure and all other aspects of the CEGP capital expenditure(s) or project(s) shall remain as set forth in the application submitted to the State or changes thereto as approved in writing by the State. All aspects of the CEGP capital expenditure(s) or project(s) shall be subject to this Agreement, which shall supersede the application to the extent that there is a conflict between the application and these other documents.
- E. Compensation: The consideration to be paid Contractor, as provided herein, shall be in compensation for all of Contractor's expenses incurred in the performance hereof, including travel, per diem, and taxes, unless otherwise expressly so provided.

3. Fiscal Administration

- A. The Contractor agrees to establish on its books a CEGP grant account and maintain fiscal control and accounting procedures which assure that grant funds available for the conduct of the CEGP capital expenditure(s) or project(s) covered by the grant are properly disbursed, adequately controlled and accounted for in the CEGP account. The Contractor is responsible for keeping records which fully disclose the amount and disposition of the proceeds of the grant, the total cost of the CEGP capital expenditure(s) or project(s) for which the grant is awarded. The procedure developed by the Contractor must provide for the accurate and timely recordation of the receipt of funds, expenditures, and unexpended obligations on balances. Adequate documentation of each transaction shall be maintained to permit the determination, through an audit if requested by the State, of the accuracy of the records and the allowability of expenditures charged to grant funds. If the allowability of an expenditure cannot be determined because records or documentation are inadequate, the expenditure shall be disallowed and the Contractor shall reimburse the State for the amount disallowed. The State's determination of the allowability of any expense shall be final, absent fraud, mistake, or arbitrariness.
- B. A separate checking account for the CEGP grant funds is not required. However, the Contractor may deposit CEGP funds in an interest bearing checking or savings account,

EXHIBIT B

or the State may require Contractor to deposit all CEGP funds into a segregated account in an institution whose deposits are insured by the federal or state government. All interest earned from the deposit of CEGP funds shall be used for program purposes and accounted for to the State.

- C. Any unexpended funds remaining at the end of the contract period or termination date must be returned to the State. Checks may be made out to the Department of Housing and Community Development and shall be mailed within thirty (30) days of the contract termination or expiration date.

4. Audit/Retention and Inspection of Records:

Contractor agrees that the state or its delegatee will have the right to review, obtain, and copy all records pertaining to performance of this Agreement. Contractor agrees to provide the state or its delegatee with any relevant information requested and shall permit the state or its delegatee access to its premises, upon reasonable notice, during normal business hours for the purpose of interviewing employees and inspecting and copying such books, records, accounts, and other material that may be relevant to a matter under investigation for the purpose of determining compliance with Government Code section 8546.7. Contractor further agrees to maintain such records for a period of three (3) years after final payment under this Agreement.

5. Disbursements

- A. For each disbursement of funds, the Contractor agrees to submit, in a form and manner determined by the State, a written request for disbursement and to attach to this request any documents required by the State. With each request, the Contractor shall certify that the funds requested shall be used only for the capital expenditures authorized by the State.
- B. Any grant funds disbursed by the State to or on behalf of the Contractor and not applied towards approved code enforcement costs in accordance with Exhibit C, shall be repaid to the State upon demand.

6. Compliance with Laws and Regulations

Contractor agrees that at all times to use the CEGP capital expenditures in conformity with all laws applicable to the Program including those of the State of California, all federal laws, all local rules or ordinances, all requirements of the Program including the statutes and rules and regulations referenced in the first paragraph of this Agreement.

EXHIBIT B

7. Program Report

The Contractor shall file with the State a quarterly Program Report for the first year of the contract and then a semi-annual report for years two and three, on a form developed, approved and published by the Program. The report shall be due 15 days after the end of each period and shall be in addition to the final report.

8. Term

The effective date of this Agreement is the date upon which it is executed by the State after execution by the Contractor. This Agreement shall terminate three years after the effective date, unless terminated earlier pursuant to paragraph 10 hereof. Costs incurred prior to the State's approval of this Agreement, in violation of any of the terms of this Agreement, or prior to any required approval of changes herein, will not be accepted as eligible costs.

9. Disencumbrance of Funds

In the event the Contractor does not utilize the funds authorized by this Agreement within the time periods specified in Exhibit D, hereof, the State, at its sole discretion and upon written notice to the Contractor, may determine that the funds, or a portion of the funds, no longer are required for the Contractor's performance under the terms of this Agreement, and upon written notice to the Contractor, may reduce the grant amount specified in Exhibit C hereof, and disencumber from this Agreement, the amount determined to be no longer required. The written notice to the Contractor shall indicate the effective date and the amount of such grant reduction and disencumbrance from the total amount of this Agreement. In the alternative, the State may, at its sole discretion, terminate this Agreement pursuant to paragraph 10 hereof.

10. Termination and Breach

- A. Notwithstanding the provisions of paragraphs 1 and 8 of this Agreement, in the event of Contractor's failure to satisfy or comply with any term or condition herein or with respect to the Exhibit C, or other documents related to the grant transaction within the time and in the manner specified, after written notice to the Contractor by the State specifying (1) the breach; (2) the action required to cure such breach; and (3) a date, not less than fifteen (15) days from the date of receipt of such notice by Contractor, by which such breach must be cured, the State may withdraw its grant commitment or the balance thereof and be released from any further obligation to the Contractor after notifying Contractor in writing of the State's intention to terminate this Agreement.
- B. The State may terminate this Agreement and be relieved of any payments should the Contractor fail to perform the requirements of this Agreement at the time and in the manner herein provided. All costs to the State shall be deducted from any sum due the

EXHIBIT B

Contractor under this Agreement and the balance, if any, shall be paid to the Contractor upon demand.

- C. In the event of such breach the State may also take such action or seek such remedies as are provided in this or any other executed grant document.

11. Amendment:

No amendment or variation of the terms of this Agreement shall be valid unless made in writing, signed by the parties and approved as required. No oral understanding or Agreement not incorporated in the Agreement is binding on any of the parties.

12. Assignment:

This Agreement is not assignable by the Contractor, either in whole or in part, without the consent of the State in the form of a formal written amendment.

13. Indemnification:

Indemnification: The Contractor agrees to indemnify, defend and save harmless the State of California, its officers, agents and employees from any and all claims and losses accruing or resulting to any and all Contractors, subContractors, material men, laborers and any other person, firm or corporation furnishing or supplying work services, materials or supplies in connection with the performance of this Agreement, and from any and all claims and losses accruing or resulting to any person, firm or corporation who may be injured or damaged by the Contractor in the performance of this Agreement.

14. Independent Contractor:

Contractor, and the agents and employees of Contractor, in the performance of this Agreement, shall act in an independent capacity and not as officers or employees or agents of the State.

15. Waiver:

No waiver of any breach of this Agreement shall be held to be a waiver of any prior or subsequent breach. Any remedy afforded in this Agreement shall be taken and constructed as cumulative and in addition to any other remedy provided therein or by law. The failure of the State to enforce at any time the provisions of this Agreement, or to require at any time performance by the Contractor of any of the provisions, shall in no way be construed to be a waiver of such provisions nor to effect the validity of this Agreement or the right of the State to enforce said provisions.

EXHIBIT B

16. Litigation:

- A. If any of this Agreement, or underlying obligation is held invalid by a court of competent jurisdiction, such invalidity, at the sole discretion of the State, shall not affect any other provisions of this Agreement and the remainder of this Agreement shall remain in full force and effect. Therefore, the provisions of this Agreement are, and shall be, deemed severable.
- B. The Contractor shall notify the State immediately of any claim or action undertaken by or against it, which affects this Agreement or the State and shall take such action with respect to the claim or action as is consistent with the terms of this Agreement and the interests of the State.

17. Insurance:

- A. Prior to the disbursement of funds under this Agreement and thereafter during the term hereof, Contractor shall obtain, carry, and maintain in force, or cause to be obtained, carried, or maintained in force, comprehensive general liability insurance and property damage insurance issued by carriers acceptable to the State, and in such amounts and forms as required by the Program Agreement.
- B. Contractor will ensure that the State of California and its officers and employees are named as additional named insured on the general liability insurance policy required by paragraph A for the purposes of any claims arising at any time during or after the terms of this Agreement with respect to the performance of this Agreement or any act or omission thereunder. That policy also shall provide for notice to the State in the event of any lapse of coverage and in the event of any claim thereunder.
- C. Upon demonstration of cause satisfactory to the State, the requirements of subparagraphs A and B may be satisfied by Contractor providing evidence of an alternative to conventional insurance sufficient to provide equivalent protection.
- D. Contractor shall provide evidence satisfactory to the State of compliance with the insurance requirements of this paragraph 17 prior to any disbursement of funds.

18. Unenforceable Provision:

In the event that any provision of this Agreement is unenforceable or held to be unenforceable, then the parties agree that all other provisions of this Agreement have force and effect and shall not be affected thereby.

EXHIBIT B

19. Timeliness:

Time is of the essence in this Agreement.

20. Disputes:

- A. Except as otherwise provided in this Agreement, any dispute arising under or relating to the performance of this Agreement, which is not disposed of by agreement, shall be decided by the State Coordinator, or their designee who shall reduce decisions to writing in regard to the dispute and shall transmit a copy thereof to the Contractor.

The decision of the State Coordinator shall be final and conclusive unless within thirty (30) days from the date of receipt of such copy, the Contractor transmits a written appeal to the State. Pending the final decision by the Director of the Department of Housing and Community Development or his/her designee, the Contractor shall proceed diligently with the performance of the Agreement and in accordance with the written decision of the State Coordinator, which is the subject of the Contractor's appeal.

- B. Contractor shall continue with the responsibilities under this Agreement during any dispute.

EXHIBIT B-1**DEPARTMENT OF GENERAL SERVICES GENERAL CONDITIONS****1. Recycling Provision:**

California Public Contracts Code section 12164, requires that the State shall encourage the persons with whom it contracts, to the maximum extent economically feasible in the performance of the contract work, to use recycled paper products.

2. Non-Discrimination Clause:

A. During the performance of this Agreement, Contractor and its subContractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (cancer), age (over 40), marital status, and denial of family care leave. Contractor and subContractors shall insure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Contractor and subContractors shall comply with the provisions of the Fair Employment and Housing Act (Government Code Section 12990 (a-f) et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code Section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this Agreement by reference and made a part hereof as if set forth in full. Contractor and its subContractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other Agreement.

B. Contractor shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the Agreement.

3. Child Support Compliance Act:

The Contractor acknowledges in accordance with, that:

A. The Contractor recognizes the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Chapter 8 (commencing with section 5200) of Part 5 of Division 9 of the Family Code; and

B. The Contractor, to the best of its knowledge is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to

EXHIBIT B-1

the New Hire Registry maintained by the California Employment Development Department.

4. Union Activities:

By signing this agreement Contractor hereby acknowledges the applicability of Government Code Section 16645 through Section 16649 to this agreement and agrees to the following:

- A. Contractor will not assist, promote or deter union organizing by employees performing work on a state service contract, including a public works contract.
- B. No state funds received under this agreement will be used to assist, promote or deter union organizing.
- C. Contractor will not, for any business conducted under this agreement, use any state property to hold meetings with employees or supervisors, if the purpose of such meetings is to assist, promote or deter union organizing, unless the state property is equally available to the general public for holding meetings.
- D. If Contractor incurs costs, or makes expenditures to assist, promote or deter union organizing, Contractor will maintain records sufficient to show that no reimbursement from state funds has been sought for these costs, and that Contractor shall provide those records to the Attorney General upon request.

5. Drug Free Workplace:

By signing this Agreement, Contractor hereby certifies under penalty of perjury under the laws of the State of California that the Contractor will comply with the requirements of the Drug-Free Workplace Act of 1990 (Government Code Section 8350 et seq.) and will provide a drug-free workplace by taking the following actions:

- A. Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations.
- B. Establish a Drug-Free Awareness Program to inform employees about: (1) the dangers of drug abuse in the workplace; (2) the Contractor's policy of maintaining a drug-free workplace; (3) any available counseling, rehabilitation and employee assistance programs; and (4) penalties that may be imposed upon employees for drug abuse violations.

EXHIBIT B-1

- C. Every employee who works on the proposed contract will: (1) receive a copy of the Contractor's drug-free workplace policy statement; and (2) agree to abide by the terms of the Contractor's statement as a condition of employment under this agreement.

Failure to comply with these requirements may result in suspension of payments under the Agreement or termination of the Agreement or both and Contractor may be ineligible for award of any future State agreements if the department determines that any of the following has occurred: (1) the Contractor has made false certification, or violated the certification by failing to carry out the requirements as noted above. (Government Code section 8350 et seq.)

6. National Labor Relations Board Certification:

The Contractor warrants by execution of this Agreement and does swear under penalty of perjury under the laws of the State of California that no more than one final unappealable finding of contempt of court by a federal court has been issued against the Contractor within the immediately preceding two-year period because of the Contractor's failure to comply with an order of a federal court, which orders the Contractor to comply with an order of the National Labor Relations Board.

7. Disclosure; DOING BUSINESS WITH THE STATE OF CALIFORNIA

The Contractor must be aware of the following laws that apply to persons or entities doing business with the State of California.

A. Conflict Of Interest:

Contractor needs to be aware of the following provisions regarding current or former state employees. If Contractor has any questions on the status of any person rendering services or involved with the Agreement, the awarding agency must be contacted immediately for clarification.

- 1.) Current State Employees (Public Contracts Code section 10410): i). No officer or employee shall engage in any employment, activity or enterprise from which the officer or employee receives compensation or has a financial interest and which is sponsored or funded by any state agency, unless the employment, activity or enterprise is required as a condition of regular state employment. ii). No officer or employee shall contract on his or her own behalf as an independent Contractor with any state agency to provide goods or services.
- 2.) Former State Employees (Public Contracts Code section 10411): i). For the two-year period from the date he or she left state employment, no former state officer or employee may enter into a contract in which he or she engaged in any of the negotiations, transactions, planning, arrangements or any part of the decision-making process relevant to the contract while employed in any capacity by any state agency.

EXHIBIT B-1

ii). For the twelve-month period from the date he or she left state employment, no former state officer or employee may enter into a contract with any state agency if he or she was employed by that state agency in a policy-making position in the same general subject area as the proposed contract within the 12-month period prior to his or her leaving state service. iii.) If Contractor violates any provisions of above paragraphs, such action by Contractor shall render this Agreement void. (Public Contracts Code section 10420) iv. Members of boards and commissions are exempt from this section if they do not receive payment other than payment of each meeting of the board or commission, payment for preparatory time and payment for per diem. (Public Contracts Code section 10430 (e)).

B. Labor Code/Workers' Compensation:

Contractor needs to be aware of the provisions which require every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions, and Contractor affirms to comply with such provisions before commencing the performance of the work of this Agreement. (Labor Code section 3700)

C. Americans with Disabilities Act:

Contractor assures the State that it complies with the Americans with Disabilities Act (ADA) of 1990, which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA. (42 U.S.C. 12101 et seq.)

D. Resolution:

A county, city, district, or other local public body must provide the State with a copy of a resolution, order, motion, or ordinance of the local governing body which by law has authority to enter into an agreement, authorizing execution of the agreement.

E. Air or Water Pollution Violation:

Under the State laws, the Contractor shall not be: (1) in violation of any order or resolution not subject to review promulgated by the State Air Resources Board or an air pollution control district; (2) subject to cease and desist order not subject to review issued pursuant to Section 13301 of the Water Code for violation of waste discharge requirements or discharge prohibitions; or (3) finally determined to be in violation of the provisions of federal law relating to air or water pollution.

EXHIBIT B-1

F. Prevailing Wages:

Where funds provided through this Agreement are used for construction work, or in support of construction work, Contractor shall ensure that the requirements of Chapter 1 (commencing with section 1720) of Part 7 of the Labor Code (pertaining to the payment of prevailing wages and administered by the California Department of Industrial Relations) are met.

For the purpose of this requirement "construction work" includes, but is not limited to rehabilitation, alteration, demolition, installation or repair done under contract and paid for, in whole or in part, through this Agreement. All construction work shall be done through the use of a written contract, with the properly licensed building contractor incorporating these requirements (the "construction contract"). Where as the construction contract will be between the Contractor and a licensed building contractor, Contractor shall serve as the "awarding body" as that term is defined in the Labor Code. Where Contractor will provide funds to a third party that will enter into the construction contract with a licensed building contractor, the third party shall serve as the "awarding body". Prior to any disbursement of funds, including but not limited to release of any final retention payment, the Department may required a certification from the awarding body that prevailing wages have been or will be paid.

EXHIBIT C

CEGP Special Conditions and Capital Expenditure Details

County of Los Angeles

Prior to disbursement of any grant funds the Contractor shall have executed a California Code Enforcement Grant Program Standard Agreement, and provided the State with the following additional documents, subject to State approval and substantially consistent with the application and staff report:

1. Program implementation schedule.
2. Copy of current County budget for Code Enforcement Activities.
3. Updated annual budget for year one consistent with the modified approved grant amount.
4. Name and title of CEGP lead person and contact.
5. Provide State with a paid invoice, purchase order, repair order, contract or any other documentation deemed necessary by the State to ensure the success of the Code Enforcement Grant Program and the eligibility of the expenditure. The Department will not authorize payment for supplies, licensing, consumables, consultants or other soft costs associated with the requested capital assets.
6. Certified resolution authorizing receipt of the state funds and the obligation to financially and technically support the capital expenditures during the three year grant period.

<u>Proposed Capital Expenditures</u>	<u>Requested Amount</u>	<u>Approved Amount</u>
Applicant shall use funds for the approved activities detailed in Exhibit 3a of the application in the general amounts as follows:		
Chemical, Biological and physical stress inspection equipment	\$130,979.60	\$122,980*
Computers, cameras, projectors, camcorders, etc.	\$90,181.53	\$59,534*
Sales Taxes 8.25%	\$18,245.80	\$15,058**
Totals	\$239,406.93	\$197,572

*Bond funds may not be used for soft costs (\$5,200 Disposal Respirators and \$2,800 Training), therefore, recommended funding is reduced by these items.

** Bond funds may not be used for soft costs for (\$21,707.00 supplies and \$8,940 warranties or service agreements, therefore, recommended funding is reduced by these items.

*** Sales tax adjusted at 8.25% to reflect lower approved amount.

EXHIBIT D

BUDGET DETAIL AND PAYMENT PROVISIONS

1. Method of Payment

- A. For services satisfactorily rendered, and upon receipt and approval of the purchase orders or invoices, the State agrees to compensate the Contractor for actual expenditures incurred in accordance with the rates specified herein, which is attached hereto and made a part of this Agreement.
- B. Upon approval of this Agreement, and after evidence satisfactory to the State that the Contractor has purchased, leased, approved a purchase order, signed a contract for work to be performed, or construction contract for capital expenditure(s) costs, and that the State's fiscal and program interests will be protected, the State agrees to provide to the Contractor the amount specified in Attachment A. The State will limit the disbursement of grant funds to one each quarter during the first year of the contract and then to two each year for the duration of the three-year grant period. In no instance shall the State be liable for any costs in excess of this amount, nor for any unauthorized or ineligible costs.

Said requests, invoices and all other support documents shall be submitted, signed, dated, and addressed to:

Department of Housing and Community Development
Division of Codes and Standards
Code Enforcement Grant Program
1800 Third Street, Suite 260
P. O. Box 1407
Sacramento, CA 95812-1407
Attention: CEGP Contract Manager
Phone: (916) 445-9471

- C. If a report is not completed to the satisfaction of the State, it will be returned to the Contractor for revision and payment of requested funds may be withheld until the required request for funds, invoices or all other support documents are submitted and satisfactory performance can be determined. All support documents included in the request must be attached and summarized in a detailed spreadsheet.
- D. Costs incurred prior to the State's approval of this Agreement, in violation of any of the terms of this Agreement, or prior to any required approval of changes herein, will not be accepted as eligible costs.
- E. All requests for funds, quarterly or semi-annual reports, and other documents shall be signed and dated by the Contractor's authorized signatory.

EXHIBIT D**2. Budget and Program Changes**

No changes, except as noted below, shall be made in the distribution of grant funds among budget items as herein approved without express prior written approval of the State. The State shall be informed of, and must approve, all changes prior to the Contractor making the change. Without prior written approval of the State, no portion of the funds provided under this grant shall be used for any purposes other than those described in Attachment A. The distribution of grant funds among the capital expenditure items may be made without express prior written approval under the following circumstances: changes may be made within a range of fifteen percent (15%) above the originally stated amount on Attachment A, but will not increase the amount of the Grant. Any saved costs in the cost of capital expenditure items may be used to purchase additional capital items with the approval of the Department.

3. Budget Contingency Clause

- A. It is mutually agreed that if the Budget Act of the current year and/or any subsequent years covered under this Agreement does not appropriate sufficient funds for the program, this Agreement shall be of no further force and effect. In this event, the State shall have no liability to pay any funds whatsoever to Contractor or to furnish any other considerations under this Agreement and Contractor shall not be obligated to perform any provisions of this Agreement.
- B. If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this program, the State shall have the option to either cancel this Agreement with no liability occurring to the State, or offer an agreement amendment to Contractor to reflect the reduced amount.

RESOLUTION

The County of Los Angeles Board of Supervisors (hereafter "Board of Supervisors") at the meeting identified below, delegated authority to the Director of Health Services, or his designee, to accept grant funds from the California Department of Housing and Community Development for the enhancement of the Department of Health Services (hereafter "DHS") housing inspection program; and

WHEREAS, on behalf of the County of Los Angeles, the DHS responded to a Notice of Funding Availability from the California Department of Housing and Community Development for the Code Enforcement Grant Program and submitted a grant application to enhance the DHS' housing inspection program; and

WHEREAS, the DHS received Standard Agreement Number 02-CEGP-27 from the California Department of Housing and Community Development for grant funds in the amount of \$197,572 for capital expenditures (hereafter "Grant Agreement") that supplement or enhance the DHS's local housing code enforcement program and requires the DHS to use, support, and financially maintain the capital assets acquired for at least three years.

NOW, THEREFORE, be it resolved that the Board of Supervisors authorizes and empowers the Director of Health Services, or his designee, to execute in the name of the County of Los Angeles the Grant Agreement and related amendments from the California Department of Housing and Community Development, subject to review and approval by County Counsel and notification of Board offices. Furthermore, the Board of Supervisors authorizes and empowers the Director of Health Services, or his designee, to execute any other necessary documents related to Grant Agreement for the purpose of securing grant funds from the California Department of Housing and Community Development. For purpose of the Grant Agreement, designee shall consist of the Director of Public Health or the Chief of Operations for Public Health.

The foregoing Resolution was on the _____ day of _____, 2003, adopted by the Board of Supervisors of the County of Los Angeles and ex-officio, the governing body of all other special assessments and taxing districts, agencies and authorities for which said Board so acts.

COUNTY OF LOS ANGELES

By _____
Chair, Board of Supervisors

ATTEST:

VIOLET VARONA-LUKENS, Executive Officer
Clerk of the Board of Supervisors
of the County of Los Angeles

By _____
Deputy

APPROVED AS TO FORM:

LLOYD W. PELLMAN
County Counsel

By _____
Deputy